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STATE FOR US HQ BICE WASH DC

USDOC FOR 532/OEA/LHINES/DFARROW  
USDOC FOR 3132/FCS/OIO REGIONAL DIRECTOR WILLIAM ZARIT

BEIJING FOR FCS JEANETTE CHU

BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A  
TAGS: [BMGT](#) [BEXP](#) [HK](#) [ETTC](#)  
SUBJECT: EXTRANCHECK: POST SHIPMENT VERIFICATION:  
KINPO INTERNATIONAL LTD.

REF: A) USDOC 04811

¶1. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

¶2. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the Bureau of Industry and Security (BIS), Export Control Officer (ECO) Philip Ankel conducted a post shipment verification (PSV) of Kinpo International Ltd. (Kinpo H.K.) on October 12, 2006. This PSV concerned a tri-axis accelerometer exported by Kionix Inc. (Kionix) of Ithaca, New York, classified as 7A994 (controlled for anti-terrorism reasons) and valued at \$10,456.

¶3. An extract from the Hong Kong Companies Registry provides that Kinpo H.K. was dissolved as a commercial entity in March 1998 and is no longer in existence. No further information concerning this company was available from the Companies Registry.

¶4. The contact information in the Kionix invoice provided by OEA led to the following results: A visit to the Kinpo H.K. address (13 Argyle Street, Room 2309-10, Hong Kong) listed in the "bill to" portion of the invoice revealed that Kinpo was not located at that address. Rather, that location housed another company "Win Global Electrical Appliance Ltd." Calls by the commercial assistant to the contact person in the "ship to" portion of the Kionix invoice, Mr. Terence Fung, revealed that Mr. Fung actually works for a company called Soonest Express, a freight forwarder.

¶5. Mr. Fung confirmed that Soonest Express had received the applicable item from Kionix on May 1, 2006 and had forwarded it to Kinpo International Ltd. in Dong Guan, China (Kinpo China) on May 6, 2006. Mr. Fung stated that Soonest Express no longer acts as a freight forwarder for Kinpo China. Ms. Emily Zhang of Kinpo China's purchasing department in Dong Guan confirmed that Kinpo China had received the applicable item from Kionix (via freight forwarder Soonest Express in Hong Kong).

¶6. Kinpo's web site ([www.kinpo.com.tw](http://www.kinpo.com.tw)) provides greater background about this Taiwan based company.

Begin Quote: Kinpo has established itself as a front runner in Taiwan's electronics industry since 1973. After thirty years' hard working, Kinpo diversifies its product lines from basic electronic calculators at one end, a wide range of 3C consumer electronics in between, and to internet application products at the other. To date, Kinpo has a staff of more than 10,000 employees worldwide. Under its current global corporate structure, Kinpo places its corporate management center and R&D design facilities in Taiwan, software development centers in Shanghai and Beijing, mass production facilities in Dongguan, and manufacturing supports in Thailand. End quote.

¶7. Given the information noted above, the ECO recommends that this PSV of Kinpo H.K. be categorized as Unfavorable. However, it should be noted that the item in question (if properly classified) may be exported to Hong Kong and reexported to China "no license required" (NLR). As such, the ECO suggests that the "Unfavorable" recommendation not be applied to Kinpo's operations in other countries.  
Cunningham